

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.	R.12-03-014 (Filed March 22, 2012)
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NOTICE OF EX PARTE COMMUNICATION

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August 23, 2013

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Pursuant to Rule 8.4 of the California Public Utilities Commission's Rules of Practice and Procedure, the California Large Energy Consumers Association (CLECA) hereby gives notice of the following ex parte communication.

On August 20, 2013, Barbara Barkovich and Nora Sheriff, consultant and counsel to CLECA, met with Sepideh Khosrowjeh, Chief of Staff for Commissioner Florio, from approximately 10:30 a.m. to 11:00 a.m. and with Julie Fitch, Chief of Staff for Commissioner Peterman from approximately 11:30 until noon. Both meetings were held at the Commission's offices in San Francisco and were initiated by CLECA.

Dr. Barkovich and Ms. Sheriff noted that the Commission's jurisdiction over end-user rates should lead to a Commission focus on procurements costs and ratepayer impacts; neither the North American Electric Reliability Corporation nor the Western Electricity Coordinating Council criteria are based on costs, however, and the CAISO does not consider costs when meeting those criteria. References were also made to rising utility costs and rising rates. The primary concerns in long term procurement right now are the loss of San Onofre Nuclear Generating Station

(SONGS) and renewable integration. The key issue for the loss of SONGS is reactive support for the Los Angeles and San Diego areas; this needs to be fully explored, with consideration of the potential solution of controlled load shedding for a contingency loss of the Southwest Power Link and Sunrise in a 1 in 10 load situation. Demand side alternatives could be a reasonable and more cost-effective solution than building new transmission, which is never easy or cheap, or procuring more generation, which would rarely be used. A probability analysis should be undertaken to inform the Commission's evaluation of these and other alternatives, and their related costs and risks.

No handouts were provided at either meeting.

Respectfully submitted,

A handwritten signature in black ink that reads "Nora Sheriff". The signature is written in a cursive, slightly slanted style.

Nora Sheriff

Counsel to the California Large Energy
Consumers Association

August 23, 2013